

Scottish COVID-19 Inquiry

Witness statement of Rosalyn Kane

Witness Number: BWS0067

Statement taken on 3 July 2024

INTRODUCTION

1. My name is Rosalyn Kane. I am the head of Governance at the Fuel Bank Foundation (FBF). I have been involved with the FBF since 2016 and have had an extensive career in the energy industry.
2. In my role, I have oversight of our services and how we deliver them. More specifically, this involves monitoring our charitable obligations and ensuring that they are met.
3. I am giving this statement on behalf of the FBF, following the roundtable discussion that took place on 3 July 2024, with the FBF and some partner organisations.

ORGANISATION

4. The FBF is a charitable incorporated organisation (company number CEO011530) and a charity in England and Wales (1175049) and Scotland (SCO48330).
5. The FBF provides emergency financial support through our network of partners. We identify people who cannot afford to pre-pay for their fuel or energy. Often, they will have used up all their options for support. This means that when their money runs out, they have no energy supply. We call this fuel Crisis.
6. Across Scotland, at the beginning of the pandemic, we had 26 partners. We now partner with over 210 organisations. These range from local

foodbanks and community hubs to specialist advice and support agencies, local authorities, housing groups and 12 UK groups which deliver services in Scotland.

7. Each partner organisation that joins us receives training about the FBF, the principles and requirements for people receiving support and the structure and process in place to ensure that help goes to those who need it most. We also train them in how to prevent misuse of the service, such as over-reliance on receiving fuel vouchers, or people attempting to obtain additional vouchers from the same partner or through approaching multiple partners for the same help.

FUEL POVERTY AND FUEL CRISIS

8. There is a difference between fuel poverty and fuel crisis. Fuel poverty exists when a household needs to spend at least 10% of its income on energy to maintain a satisfactory heating regime; whereas fuel crisis is when a household prepays for energy and runs out of money, meaning they are living without heat, light or power.

Increase in demand for support

9. During the pandemic, demand for fuel crisis support increased significantly and continues to do so. As a result, we saw an increase in partner organisations from 19 in 2020, to 111 by the end of 2022. This was enabled by funding from the Scottish Government. This number has continued to grow since then, to provide wider cover across Scotland. This led to an increase in the volume of fuel vouchers we issued. By way of example, in January 2020 the FBF issued 152 vouchers. In January 2022, we issued 2,615 vouchers.

Prepayment meters

10. Most people have not experienced fuel crisis and are not aware of what it is. Basically, fuel crisis exists when people prepay for their energy, they

have a prepayment meter on their wall, and the consumer only gets energy if they can put money in the meter.

11. There are several reasons why people might have a prepayment meter. For some people, that is all they have ever known. They have always paid for energy in advance.
12. Some people have prepayment meters installed by energy companies because they are struggling to pay and it is a means to prevent them getting into debt, or to repay existing debt. Sometimes people have prepayment meters because it is a condition of their tenancy agreement. However, if you think about a prepayment mobile phone, if you have not got any credit, you have not got a phone. It is the same as an energy prepayment meter. When the money runs out, the meter switches off.
13. As a result, the consumer will not have any power, will not have any light, they cannot heat their home or cook, rely upon refrigeration and will not have any hot water.

Impact of self disconnection

14. If you think back to the pandemic, people were at home all the time and totally reliant on having energy. If you needed to work from home and needed the internet and the power went off, you would be cut off from your work and be unable to charge your mobile phone. This added to the isolation that most people experienced during the lockdowns and presented a very real safety risk for some people. If a person does not have a way to communicate, it means they will have no way of contacting emergency help if it is needed.
15. It would also affect children being schooled at home, who were reliant on the internet. If you have access to a computer, the amount of time you can use that without having access to power is limited, as such it would have very significant ramifications.

16. Compounding this is the whole hygiene issue, as you may not have hot water to wash and shower. It is a lot harder to keep everybody clean and keep a house clean without hot water. You would not be able to wash clothes in a washing machine, to keep clothes clean, for example.
17. If you have young children or somebody with ill health living with you, a lack of energy is less than ideal for hygiene. It presents many risks.
18. Fuel crisis existed before the pandemic, but the impact of the pandemic on our whole way of life significantly magnified that risk and the impacts that those living in fuel crisis experienced.
19. One of the other things that was overlooked is if a consumer has a medical condition and the effective treatments for that condition rely upon having power. We have someone on our team depending on a sleep apnoea machine. Some diabetics rely upon insulin which must be kept refrigerated. There are all sorts of home medical treatments and equipment dependent on power.
20. That is really the heart of what the FBF as a charity campaigns about. Nobody should have to be living without a power source. It creates very real risk in many ways and it is isolating. It has a diminishing impact on people's quality of life.
21. There are immediate risks, but also longer-term ones. For example, children missing out on education, not being able to access the internet, research and so on. It will mean that they are going to be one or two steps behind everybody else. It is a constant struggle, so it is very real problem.

Solid fuel use and fuel crisis

22. We identified an additional problem immediately prior to the pandemic, which was the problem experienced by those people who live off the grid. These are people who most probably have access to electricity but they

heat their home with solid fuel, oil, liquid propane gas or wood. If someone off grid is in fuel crisis, the impact is very much amplified because you must pay in advance for your delivery of fuel. It is not so bad if it is a small bottle of gas, but it could be major problem if you require a full tank of oil or liquid propane gas.

23. Naturally, in Scotland we have a lot of rural communities with a disproportionately higher level of solid fuel users. With so many people being unable to work and earn during the pandemic, we saw an increase in solid fuel users approaching us for support.

FUNDING

Organisational funding

24. The FBF is funded from a variety of sources, including the Scottish Government, corporate grants, charity grants, self-funded partners and public donations.

Background to Scottish Government funding

25. For context, the FBF was created in 2017 by the energy company Npower, following a pilot to assist prepayment energy users who were in fuel crisis and unable to top up their meters. In 2020, the FBF became fully independent from the energy industry with the expectation that a small team continue to manage the remaining funds and partnerships until the legacy funding was fully utilised.
26. Sadly, the impact of COVID-19 and the lockdown from March 2020 onwards caused a rapid increase in demand for the support that the FBF offers to people experiencing fuel crisis. The Scottish Government's offer of funding to support people in Scotland during the pandemic ensured that the FBF was able to respond to the significant increase in need in Scotland, both for mains gas and electricity, as well as support for people reliant on bulk delivery of fuel. This level of support for the people of

Scotland would not have been achieved without the Scottish Government funding.

27. I thought the response from the Scottish Government was remarkably swift and effective.

WELFARE ASSISTANCE PROGRAMMES

Implementation

28. The FBF played a vital role in implementing welfare assistance programmes during the pandemic, including the distribution of fuel vouchers, the provision of support networks, sign posting and advice including support to those in fuel poverty through the Flexible Fuel and Food Fund or housing association support services.

LESSONS TO BE LEARNED

29. One of the points to carry forward into the future when trying to help people is the need to consider the decision-making chain and the underlying causes of poverty and fuel poverty. If I use fuel crisis as the example, we talk about prepayment being a crisis support to give people breathing space. However, we must understand the steps it takes to get that support. The consumer requires power to make an application or a telephone to seek advice. If they are disconnected from their energy supply this process becomes much harder. Governments need to understand what logical steps can be taken to support people in immediate need.
30. At some point in the future, you do need to insulate homes better, but it is about getting things done in the right place at the right time. No matter how well a home is insulated, it is not going to keep you any warmer if you cannot afford to put any fuel in it. Everyone involved with trying to remedy fuel poverty and fuel crisis needs to ensure we set in motion the

logical support steps that will give those in fuel crisis the best possible outcomes.

31. We should try to ensure that consumers have the basics, but it does not stop there. Having access to an energy supply is an enabler to make the next steps out of poverty possible, to get the advice to improve income, to apply for jobs, to reconnect on all levels. It is then to say, 'well, OK, what can we do next?'
32. The FBF provides basic energy efficiency advice as the next step and then signposts to where else to get help, but then further downstream people will be getting signposting to go and get financial support to improve their income. It is about trying to do the right things in the right order. We need to establish our priorities in order to deliver the best overall benefits to the people we are trying to help. It is the only way to get the best outcome.
33. We should all take stock and look at cause and effect of policies. It is easy to say 'let's give everyone £400.00 to help pay their energy bills' (which the UK Government did during the pandemic), but some people did not need that money and some people needed £1,500.00. Governments need to think about what the major issues are and who is experiencing them, identify the critical and essential issues, and ask the question, 'how do we enable those people and prioritise them?' 'What will provide the best outcomes for those struggling the most?' Some issues are much more fundamental and underpin people's lives, whereas some things are a simple impact caused by an immediate crisis. We need to evaluate all of this upfront and provide a nuanced solution that helps those at the bottom first.

Disparity of issues

34. It is harder to implement a generic form of assistance in, for example, far off rural areas. It is more difficult for governments to understand the

impacts of, for example, oil heated energy systems. Even if decision makers thought about these issues, they may not understand the scale of the problem. The impacts of outlier pandemic issues can be just as significant as what we might consider to be 'well-known issues' It is therefore important to look as carefully at the outlier or regional impacts as well as the mainstream impacts.

Energy Bills Support Scheme

35. The payment of funds to all families under the Energy Bills Support Scheme, even wealthy families, and not targeting those most need was an ineffective way to help solve the fuel crisis issue. If the money had been shared between those most in need, it would have had a more beneficial impact on those in fuel crisis. A more nuanced approach was required.

Signed:

Dated: